

# SAN ANTONIO OFFICE Monthly Market Snapshot

AUGUST 2020

## Market Highlights

**Vacancy rate at 10.7%.** The overall vacancy rate is at 10.7%, up from this time last year at 10.0%, due in part to the 255,000 sq. ft. of vacant space delivered to the market so far in 2020—63.6% of the total 400,000 sq. ft. completed. Of the 1.8 million sq. ft. currently under construction, 30.2% of that space is available for lease. The vacancy rate for Class A properties is at 14.1%, up from 13.1% this time last year. The San Antonio office market has recorded net absorption (move-ins minus move-outs) of negative 197,000 sq. ft., down from positive 181,000 sq. ft. at this time in 2019. The asking price for office properties is currently at an average annual rate of \$23.56 per sq. ft., up from this time last year at \$22.82 per sq. ft., due primarily to the new product added to the market.

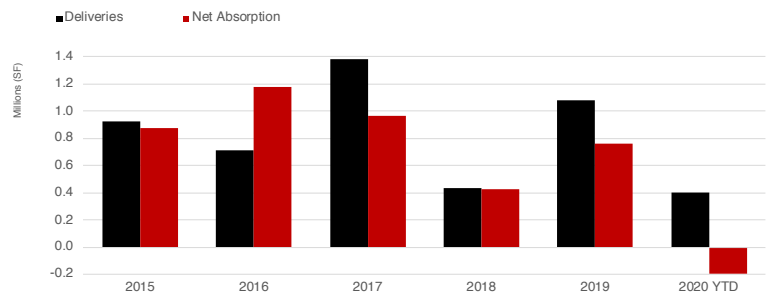
**SwRI building \$34M office.** Southwest Research Institute (SwRI) is building a 68,761-sq.-ft. office at its 1,500-acre headquarters campus at 6220 Culebra Rd. in the northwest submarket. The institute is reported to have hired an extra 200 employees over the last year with another 130 openings left to fill. The three-story building will include 68,671 sq. ft. across two wings, adjoined to the other buildings on campus. Construction will begin in August with a scheduled completion date of fourth quarter 2021.

**San Antonio unemployment rate.** The Federal Reserve Bank of Dallas reported that the metro unemployment rate fell to a still elevated 7.3% in June, lower than the state's 8.6% and the nation's 11.1%.

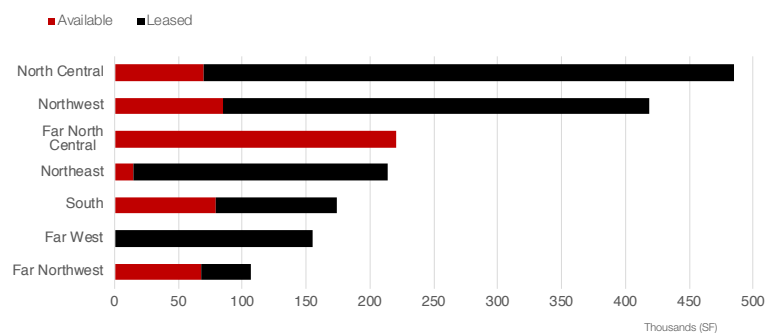
## Market Activity

	Year-to-Date July 2020		Year-to-Date July 2019
<b>Vacancy</b>	10.7%	↓	10.0%
<b>Availability</b>	13.9%	↑	11.8%
<b>Net Absorption (SF)</b>	-197,181	↓	181,305
<b>Leasing Activity (SF)</b>	1,115,370	↓	2,110,126
<b>Deliveries (SF)</b>	400,319	↓	588,068
<b>Under Construction (SF)</b>	1,771,611	—	1,066,954
<b>Gross Avg Asking Rent</b>	\$23.56	↑	\$22.82

## Supply & Demand



## Under Construction



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